

EX A

(1 OF 14)

1 IN THE UNITED STATES DISTRICT COURT FOR THE
2 NORTHERN DISTRICT OF OKLAHOMA

3 JAMES L. RAYL,)

4 Plaintiff,)

5 vs.) No. 97-CV-505 H(M)

6 METROPOLITAN LIFE)
7 INSURANCE CO., INC.,)

8 Defendant.)

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VIDEO DEPOSITION OF JAMES L. RAYL,
taken on behalf of the defendant, pursuant to
notice and agreement as to time and place and the
Federal Rules of Civil Procedure, on Wednesday,
February 25, 1998, at the law offices of
Strecker & Associates, 1600 NationsBank Center,
15 W. Sixth Street, Tulsa Oklahoma, before me,
Maynard E. Peterson, RPR, RMR, Certified Shorthand
Reporter within and for the State of Oklahoma.

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1 Appearances:

2 For the Plaintiff:

3 J. BRIAN RAYL, Esquire
4 Parker, Staggs & Associates, P.C.
5 Southern Ridge
6 6506 South Lewis, Suite 220
7 Tulsa, OK 74136

8 For the Defendant:

9 J. STEPHEN POOR, Esquire
10 Seyfarth, Shaw, Fairweather & Geraldson
11 55 East Monroe Street
12 Chicago, ILL 60603
13 and
14 KEVIN S. FINNEGAN
15 Assistant General Counsel
16 MetLife
17 One Madison Avenue
18 New York, NY 10010-3690

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MR. POOR: This is a discovery deposition taken in the case of James L. Rayl vs. Metropolitan Life Insurance Company, currently pending in the United States District Court for the Northern District of Oklahoma, taken pursuant to the Federal Rules of Civil Procedure, notice and agreement of the parties as to time and place.

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1 JAMES L. RAYL,
2 being produced, sworn and examined on behalf of the
3 defendant, deposeth and saith as follows:

4 DIRECT EXAMINATION

5 BY MR. POOR:

6 Q. Good morning, Mr. Rayl.

7 A. Good morning.

8 Q. Okay. Would you please state your name,
9 sir, spell your last name for the record.

10 A. James Lee Rayl, R-a-y-l.

11 Q. And you are the plaintiff in this case,
12 correct, Mr. Rayl?

13 A. Yes.

14 Q. Have you ever been deposed before, sir?

15 A. No.

16 Q. Have you ever testified in any type of
17 formal court or administrative proceeding?

18 A. No.

19 Q. Take just a moment, let me just take a
20 moment, Mr. Rayl, and describe to you the ground
21 rules that I have --

22 A. Okay.

23 Q. -- for a deposition. I am sure you have
24 been briefed on what to expect. But a deposition
25 is my opportunity to ask you questions about your

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1 background, continue with MetLife, the facts and
2 allegations that you have surrounding the Complaint
3 that you filed against MetLife.

4 A. (Affirmative head nod).

5 Q. It is not my intention to be confusing or
6 tricky or misleading or in any way to attempt to
7 deceive you, but if for any reason you don't
8 understand any question I ask, don't hear it, or
9 are confused by it or for any reason want me to
10 repeat the question, rephrase it, if you will tell
11 me, I will be happy to do so.

12 A. Good.

13 Q. Okay?

14 A. (Affirmative head nod).

15 Q. If you answer the question, I am going to
16 work on the assumption that you have heard it and
17 understood it and are answering the question that
18 is being asked. Fair enough?

19 A. Fair.

20 Q. From time to time witnesses will tend to
21 give nonverbal answers, shakes of heads or
22 perhaps --

23 A. Yes.

24 Q. -- an "uh-huh," I will correct you. It is
25 not meant to be in any way offensive to you, but

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1 simply the court reporter needs --
2 A. I understand.
3 Q. -- to have a verbal answer.
4 And the way this process works, Mr. Rayl,
5 it is also useful if you allow me to finish my
6 question and then you give the answer. It is very
7 difficult for the court reporter to report two
8 people talking at the same time.
9 A. Okay.
10 Q. Okay? It's an informal process, if you
11 need a break, want to confer with your attorney,
12 you should feel free to do so. I will ask if there
13 is a pending question to answer the question before
14 we take a break, but --
15 A. Okay.
16 Q. -- at any time.
17 A. (Affirmative head nod).
18 Q. Okay?
19 A. Sure.
20 Q. Are you on any medication today, sir?
21 A. Yes.
22 Q. What medication is that?
23 A. I take Zestril 5 milligrams once a day,
24 Mevacor 40 milligrams once a day and Lopressor 50
25 milligrams twice a day.

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1 Q. What is Zestril prescribed for?
2 A. It has to do with my heart condition, but
3 I can't really tell you exactly. I was on a number
4 of drugs before my last surgery and they have
5 reduced the regimen to this, and they are different
6 drugs.
7 Q. All designed for your heart condition?
8 A. The Mevacor is for cholesterol; the other
9 two are for my heart.
10 Q. Do these drugs, at least, to your
11 knowledge, in any way interfere with your ability
12 to hear and understand a question and --
13 A. No, they do not.
14 Q. Do they in any way interfere with your
15 recollection or your ability to answer questions?
16 A. No, they do not.
17 Q. Other than conferences with your attorney,
18 have you spoken with or done anything to prepare
19 for the deposition today?
20 A. No.
21 Q. And I am excluding any conversations or
22 things you have seen with him today.
23 A. No, I have not.
24 Q. Other than documents you may have reviewed
25 with your counsel or shown to you by counsel, have

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1 you looked at any documents to prepare for today?
2 A. The documents that we forwarded as part of
3 the document production, I did review.
4 Q. Okay. What is your address, sir?
5 A. 1824 South Gardenia Avenue, and that's
6 G-a-r-d-e-n-i-a, Broken Arrow, Oklahoma 74012.
7 Q. Is that a private home or --
8 A. Yes.
9 Q. -- an apartment?
10 A. A private home.
11 Q. Did you own or rent the home?
12 A. I own.

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- 1 A. Continuing education, specialized
2 management courses, things like that.
3 Q. Some of them have even been offered
4 through MetLife or reimbursed by MetLife?
5 A. Yes.
6 Q. You first went to work for MetLife in
7 1962?
8 A. Yes, April 9th.
9 Q. Prior to going to work for MetLife, what
10 kind of employment history did you have?
11 A. When I graduated from high school, I
12 worked at a department store just as a retail clerk
13 in Ohio. I left there to move to Washington, D.C.,
14 where I lived with my brother. And I was employed
15 by Columbia Federal Savings & Loan as a teller
16 prior to joining MetLife.
17 Q. What job did you first hold with MetLife?
18 A. I was what was classified as a field
19 auditor.
20 Q. You stayed in the field of auditing area
21 for a number of years, correct?
22 A. About ten years, yes.
23 Q. Ten. Until the early Seventies?
24 A. Until I came to Tulsa in January of 1973.
25 Q. During the period you were in field

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- 1 auditing, where were you located?
2 A. I was originally working out of
3 Washington, D.C., probably for four or five years;
4 I don't remember exactly. Then I was relocated to
5 Cleveland, Ohio, and I worked out of Cleveland. I
6 traveled a lot and -- prior to coming to Tulsa.
7 Q. What did you do generally in the field of
8 auditing area?
9 A. The job started out as auditing individual
10 sales representatives of the company. I ultimately
11 moved on to what was called a regional or a
12 supervisor at that time, where I supervised the
13 full auditing of our sales offices.
14 Q. What did that auditing consist of? When
15 you say "auditing of sales offices," what is that?
16 A. Primarily, at that time -- the job has
17 changed over the years, but primarily at that time
18 it was -- instead of auditing or being responsible
19 for an individual representative, I had to go in
20 and review the accounts of all the representatives
21 in the office. And it was primarily to determine
22 whether or not they were taking funds from the
23 company. You occasionally got into other
24 irregularities, but it was primarily monetary
25 auditing.

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- 1 Q. When you moved to Tulsa in January of
2 1973, what did you move to Tulsa to do?
3 A. I was manager of what was called cash
4 control and accounting at that time. It was
5 primarily the check-writing operation.
6 Q. Let's just briefly run through your career
7 with Met, and get it in some chunks of time here
8 and then we can come back and go over it.
9 A. Okay.
10 Q. You stayed in that function about how
11 long?
12 A. I would almost -- I am somewhat poor at

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13 remembering those things, it is spelled out in my
14 application, which you have that document.
15 Q. I won't hold you to the dates, --
16 A. Okay.
17 Q. -- just give us a general --
18 A. The cash control and accounting division,
19 when it started, had about 11 people. It then
20 assumed responsibility for transferring our premium
21 payments from our sales offices, where the
22 processing of premium payments from our sales
23 offices to our service center, where it grew to
24 approximately a hundred-plus employees, probably
25 about four years. So that would put it somewhere

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1 around '77, I guess, I was promoted to a position
2 of divisional manager, which meant I had the
3 responsibility for other managers in the building.
4 I was, in essence, reported directly to the vice
5 president and held that job, oh, probably three or
6 four years, I'm not sure exactly, until the
7 position was eliminated, at which time I accepted a
8 demotion and became manager of the Human Resources
9 operation.

10 While in Human Resources, I had
11 responsibility and some of this overlapped, I can't
12 give you the exact times, I had responsibility for
13 the financial control area, which was all the
14 budget and expense activity for the service center
15 as well as the field operations.

16 I also was responsible for managing our
17 personal health insurance and employee benefit plan
18 division for part of that time.

19 Then -- and I should -- it is probably
20 relevant to go back and say that at one point while
21 I was divisional manager, working directly with the
22 senior vice president as, in essence, a project
23 assignment, we initiated MetLife's first call
24 center operation.

25 Q. We will come back to that.

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1 A. Okay, that's fine.

2 Q. I am really just interested --

3 A. Okay.

4 Q. -- in the chain of job titles.

5 A. Okay.

6 Q. Then we can come back and cover --

7 A. Fine.

8 Q. -- the evolution of those jobs and what
9 you did in far more detail.

10 A. Okay.

11 Q. I am just trying to get the skeleton, --

12 A. Sure.

13 Q. -- we can come back and put the skin on
14 it.

15 A. In 1986, I was asked by senior vice
16 president Frank Lynch to go back and -- or, in
17 essence, assume managerial responsibility for the
18 Teleservicing operation for individual business.
19 There were some other reorganization-type things
20 going on, and I held that position until August
21 22nd of 1996.

22 Q. And you are currently employed by MetLife,
23 correct?

24 A. Yes.

25 Q. What is your current job title?

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- 1 A. Director of Planning, Development &
 2 In-Force Management.
 3 Q. And you have been employed consistently by
 4 MetLife from 1962 up to today?
 5 A. Yes. Other than the period when I did not
 6 have a formal position.
 7 Q. But you continued on the payroll --
 8 A. Yes.
 9 Q. -- and then you get paid?
 10 A. Yes.
 11 Q. You have not worked for any other
 12 companies during this --
 13 A. No.
 14 Q. -- 1962 to the present?
 15 A. Right.
 16 Q. All right. When you moved to Tulsa in
 17 January of 1973, you became manager of cash control
 18 and accounting?
 19 A. (Affirmative head nod).
 20 MR. POOR: Why don't we take a short
 21 break.
 22 THE WITNESS: Sure.
 23 (Brief recess.)
 24 MR. POOR: Would you please read back my
 25 question.

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- 1 (The last question and answer were read by the
 2 reporter.)
 3 Q. (BY MR. POOR) The answer is "yes."
 4 Okay. And you held that position until you became
 5 divisional manager?
 6 A. Yes.
 7 Q. What did you do as manager of cash control
 8 and accounting? Let's start at the beginning
 9 before the processing of premium payments was
 10 transferred in.
 11 A. The initial position when I came out here
 12 was a very small unit. It was responsible for
 13 writing and controlling all the disbursement and
 14 checks for policy transactions, such as cash
 15 surrenders, loans, dividend withdrawals, death
 16 claims.
 17 Q. So this function was the function that
 18 actually got a piece of paper to the policyholder,
 19 the check to the policyholder?
 20 A. The check, yes.
 21 Q. Was there any other similar function of
 22 that elsewhere in MetLife or is this where that --
 23 is it centralized in Tulsa?
 24 A. No. When we came out here in '73, it was
 25 a part of a company's decentralization program, and

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- 1 there were a number of similar offices all assigned
 2 a specific geographic part of the country. And we
 3 did it for that geographic part of the country.
 4 Q. For the region covered by Tulsa at that
 5 time?
 6 A. Yes.
 7 Q. During this period when you were manager
 8 of cash control and accounting, as you have already
 9 told me, there came a time when the processing of
 10 premium payments function was transferred into your
 11 unit --
 12 A. Yes.

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13 Q. -- or moved into your unit?
14 A. Yes.
15 Q. What was that function?
16 A. Basically, prior to that function, our
17 premium payment or the policyholders mailed premium
18 payments to their local sales office, and we had
19 somewhere around I think probably 1200 sales
20 offices, and it was centralized in each of the
21 service center locations.

22 So that payment processing function with
23 the checks and the deposits and all of that was
24 moved into the service center and that's what I had
25 responsibility for, the transition and then the

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1 ongoing management.

2 Q. Were there other service centers around
3 the country doing similar kinds of functions?

4 A. Yes.

5 Q. This is another responsibility you had for
6 the Tulsa region? Was this also a regional based,
7 geographic based?

8 A. At that time they were referred to as
9 "territories," but yes.

10 Q. You held that position until you were
11 promoted to the divisional manager position?

12 A. Yes.

13 Q. What functions did you supervise as
14 divisional manager?

15 A. It's a little bit hard to describe. I
16 reported directly to what was then known as the
17 operations vice president, and I did various and
18 sundry project management types of things at
19 various times, specific divisions and those
20 managers reported to me. But it was -- and also at
21 that time I did specific projects and handled
22 things for our officer in charge. It was just a
23 general support management function.

24 Q. The operations VP, let's start from the
25 initiation of your -- you moved into that

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1 position --

2 A. Yes.

3 Q. -- and reported to whom?

4 A. Will Hartshorn.

5 Q. Did you have any direct reports to you?

6 A. At various times, I did, yes.

7 Q. At the beginning?

8 A. Throughout -- throughout -- to be honest,

9 I just really don't remember a lot of it, other
10 than the fact that at various times I would be
11 asked to look over specific functions and have them
12 report to me.

13 I had the Human Resources reporting to
14 me. I had other divisions reporting to me off and
15 on, depending upon what the need; in other words,
16 where there was a need for closer direct
17 supervision or management of the operation or of
18 that particular function or activity, then I was
19 generally the one that was assigned that task.

20 Q. You then moved into the manager of Human
21 Resources position about 1983?

22 A. Yes. It is somewhere in that

23 neighborhood; I would have to --

24 Q. And that was a result of the elimination
25 of the divisional manager position, correct?

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- 1 A. Yes.
2 Q. How were you informed that the divisional
3 manager position was being eliminated?
4 A. I don't recall specifically, it was after
5 a period of disability with my first surgery that I
6 actually came back to work and found out that my
7 official position title had changed to manager of
8 special projects or something like that.
9 Q. And then from there you transitioned to
10 manager of Human Resources?
11 A. Yes.
12 Q. Did you become aware that the divisional
13 manager layer was eliminated throughout MetLife?
14 A. Yes.
15 Q. You indicated that shortly before this you
16 had been out on a period of disability.
17 A. Yes.
18 Q. For what condition?
19 A. Triple bypass.
20 Q. This was your first triple bypass?
21 A. Yes.
22 Q. When did you have that surgery?
23 A. I think it was October 1982, but I would
24 really have to confirm that with the medical -
25 Q. That's all right.

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- 1 A. I mean it is documented in some of that
2 stuff you have got.
3 Q. And then you were out for a period of
4 disability recuperating from the surgery, -
5 A. Yes.
6 Q. - the bypass?
7 A. (Affirmative head nod).
8 Q. When you became manager of the Human
9 Resources function, to whom did you report?
10 A. There was a new operations officer brought
11 in, Mr. Hartshorn had been assigned a different
12 level of responsibility, and it was Dennis
13 McAuliffe.
14 Q. Let me understand the organization of the
15 Tulsa facility now. At that point in time, at the
16 point in time that you were the manager of Human
17 Resources, you reported to Mr. McAuliffe, who held
18 what position?
19 A. I do not know what the official title was,
20 but, in essence, he took over responsibility for
21 all the then existing operations with the exclusion
22 of the Teleservicing and Telemarketing operation.
23 Q. Okay.
24 A. But all the normal divisions reported to
25 Dennis.

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- 1 Q. Generally, what were those divisions?
2 A. They would have been policyholder
3 services, at the time I think there was claims;
4 there may have been - there was personal health
5 insurance and employee benefit plans, and the
6 organization has undergone so many changes, I mean
7 the basic functions are there, but -
8 Q. Then Teleservicing was somewhere else, or
9 not physically, but reporting somewhere else?
10 A. Reporting to Mr. Hartshorn.
11 Q. And Mr. McAuliffe - I didn't quite
12 understand your answer. Did he report also to Mr.

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13 A. The segment was headed up -- the managers
14 at that time, some of them would have been Lucian
15 Rizzo, Don Lyons, James Ruede. And it's just hard
16 for me to recall at the various times who was there
17 without checking some information.

18 Q. Where was Ms. Gardner in the organization
19 prior to responsibility for the Teleservices and
20 Telemarketing?

21 A. She was in Human Resources, as I remember.

22 Q. Okay.

23 A. She was also in the position I vacated,
24 what was then became known as financial electronic
25 services at some period too, but --

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1 Q. But at the time she was in the Human
2 Resources position?

3 A. That's my recollection, yes.

4 Q. Okay. How did it come about that you
5 became manager of Human Resources in this 1993 time
6 period?

7 A. 1983?

8 Q. I mean 1983 time period.

9 A. It was important that I have a formal
10 job. The one I had was, as I indicated, was
11 temporary and not a formal position, and I had to
12 have a formal job, and I requested to Mr. Crimmins
13 that that is the position I would like to have.

14 Q. Had that position been previously held by
15 Ms. Gardner?

16 A. Yes.

17 Q. And she then moved over to become the
18 manager of Teleservices?

19 A. Yes.

20 Q. Okay. As manager of Human Resources and
21 Ms. Gardner as manager of Teleservices, were you
22 roughly peers?

23 A. On paper, it would look that way, yes, but
24 it was kind of a different organization at the
25 time.

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1 Q. Why was it -- and I assume you had
2 conversations with Mr. Crimmins about where you
3 were going to fall in the organization with the
4 elimination of the divisional manager position and
5 what job you were going to have, et cetera.

6 A. Yes.

7 Q. Why was it that you wanted in the Human
8 Resources position as opposed to the Teleservices
9 area?

10 A. Because Mr. Hartshorn was being placed in
11 charge of Teleservices at that time and I decided I
12 would rather not report to him.

13 Q. Why is that?

14 A. At the time I felt a little betrayed.

15 Q. By Mr. Hartshorn?

16 A. Hartshorn.

17 Q. And can you please describe to me why,
18 what had happened to make you feel that way?

19 A. I saw the potential elimination of my
20 position.

21 Q. Now, the divisional manager position --

22 A. Yes.

23 Q. -- we are talking about.

24 A. And I just had a lot of difficulty

25 accepting that he did not give me warning and tell

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13 from whom or how you came to have that belief?
14 A. I assumed that it was as a result of
15 conversations I would have had with Dennis,
16 that's -- that's -- he would have been the one to
17 tell me that.

18 Q. You don't have a specific recollection --

19 A. No.

20 Q. -- of that, but that would seem to be how
21 it would come about?

22 A. There may be something in all the
23 documentation that I have provided that would
24 trigger a more concise memory, but --

25 Q. Okay. Now, at that point in time, you
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1 were providing Human Resource support to the
2 Teleservicing area?

3 A. Yes.

4 MR. RAYL: Excuse me, Mr. Poor, could we
5 take a short recess at your next convenience,
6 stopping point?

7 MR. POOR: We can do it now, if you would
8 like, sure.

9 MR. RAYL: Yes, sure.

10 (Brief recess.)

11 Q. (BY MR. POOR) Focusing on this time
12 period shortly before this general meeting you are
13 referring to with Mr. Lynch, were you aware of any
14 dissatisfaction or issues relating to Ms. Gardner's
15 performance as manager of the Teleservicing area?

16 A. Not -- not specifically. There -- no,
17 there were issues associated with the
18 reorganization and the marketing part of it, but
19 you know, I don't remember.

20 Q. Was there a general reorganization or
21 reshuffling of the deck over on that piece of the
22 business going on generally?

23 A. At the time Ms. Gardner had it, there was
24 a lot of focus on the Telemarketing aspect of the
25 operation, and that was the piece that was being

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1 reorganized and moved to Florida. And, in essence,
2 it was taken away or moved out of the call center,
3 and --

4 Q. You were aware of that prior to the
5 meeting with Mr. Lynch?

6 A. Oh, yes.

7 Q. Okay. And what was being left in Tulsa
8 was the Teleservicing --

9 A. Yes.

10 Q. -- piece? All right. The general, when
11 you say "general meeting with Mr. Lynch," a meeting
12 with whom?

13 A. My recollection is that he typically came
14 out and met with the entire management team of the
15 office.

16 Q. And that is your general recollection of
17 this particular meeting?

18 A. Yes.

19 Q. Okay. I assume there were a number of
20 topics covered in that meeting other than
21 Telemarketing/Teleservices.

22 A. Yes, I assume so.

23 Q. Would these typically be full-day
24 meetings, half day, hour?

25 A. I really don't remember. There's been so
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1 many differences over the years in those --
2 typically, it's my recollection would be they were
3 a day.
4 Q. What do you recall about this meeting as
5 it related to Teleservicing/Telesales?
6 A. The only thing I remember, and this
7 meeting, I guess, would have taken place after I
8 had some responsibility. The only meeting I
9 remember is one where we did do a presentation to
10 Mr. Lynch, and we had prepared some material for
11 him on the Teleservicing and the directions and
12 steps we were trying to take.
13 Q. Who is "we"?
14 A. The Teleservicing organization, the people
15 that worked there.
16 Q. Who actually did the presentation?
17 A. I don't remember.
18 Q. I mean did you do it personally or --
19 A. I assume I did, but I really don't -- I
20 don't remember.
21 Q. Okay. Was Ms. Gardner at this time
22 involved in the Teleservicing/Telemarketing?
23 A. Not at the time of this meeting.
24 Q. Okay. So your assumption of at least some
25 responsibilities for Teleservicing had happened
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1 prior to this meeting?
2 A. Yes.
3 Q. Okay. And then the Teleservicing team put
4 on a presentation for Mr. Lynch about goals,
5 aspirations, where that function was going to go?
6 A. We prepared a presentation. We prepared
7 material. I do not remember the specific
8 presentation with respect to what necessarily was
9 discussed or done at that meeting, other than the
10 fact that we had prepared material for him.
11 Q. Okay. At that time you were also still
12 manager of Human Resources?
13 A. That's my recollection.
14 Q. Okay. Following that meeting, what
15 happened with regard to the transfer of your
16 responsibilities out of Human Resources into
17 Teleservicing?
18 A. I'm -- I don't even remember what the
19 chain of events at that time, except that I did
20 ultimately become totally responsible or solely
21 responsible for Teleservices.
22 Q. And someone else took on the Human
23 Resource function?
24 A. Yes.
25 Q. At the time you became manager of
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1 Teleservices, whatever your precise title was at
2 the time, to whom did you report?
3 A. Dennis McAuliffe.
4 Q. What was the size of the -- Can we refer
5 to it as "call center"?
6 A. Yes, that's fine.
7 Q. All right. What was the size of the call
8 center at that time?
9 A. It was somewhere between 12 and 15
10 customer service representatives, and the total
11 staff was probably 20.
12 Q. With the total staff including supervisors

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1 centers had gone beyond assuming responsibility
 2 just for individual life insurance. We also had
 3 assumed responsibility for what was known as the
 4 corporate 800 number, which was being promoted as
 5 the single number any customer could call when they
 6 really didn't know where or how to reach the
 7 appropriate area within MetLife.

8 Q. Let's focus on the end of '95 for a
 9 moment, because I know there was some consolidation
 10 of call centers going on in '96.

11 Prior to that consolidation of call
 12 centers, --

13 A. Yes.

14 Q. -- what other call centers were there in
 15 MetLife?

16 A. There was property and casualty; there was
 17 dental; there was disability; there was vision
 18 care; there was -- and part of the organization
 19 called MetSource. There was annuities, group
 20 annuities, and there were basically 22 call centers
 21 identified during Phase 2 of MetLife Express.

22 Q. Okay. And those call centers grew up
 23 predominantly around various product lines?

24 A. Yes.

25 Q. And the 22 were varying sizes?

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1 A. Yes.

2 Q. Some very small, --

3 A. Yes.

4 Q. -- some relatively large?

5 A. (Affirmative head nod).

6 Q. Okay. What other call centers were there
 7 in individual business?

8 A. The other call center was in Warwick,
 9 Rhode Island. And between the Warwick and the
 10 Tulsa sites, we handled the entire United States
 11 for individual life insurance and corporate 800.

12 Q. Okay. With regard to calls that came in
 13 on the corporate 800 number with questions other
 14 than individual life products, --

15 A. Yes.

16 Q. -- someone called in for a disability
 17 policy, for example, --

18 A. Yes.

19 Q. -- and assuming it wasn't just a simple
 20 request to be sent information or something, was
 21 the function of the CSR to then get that person to
 22 the call center with responsibility for that
 23 particular product line?

24 A. That was one of the functions, yes. There
 25 were a number of initiatives that the company was

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1 undertaking and they would use the corporate 800
 2 number to support a wide range of special
 3 projects. One of them was our life advice
 4 program. So it was a very wide range of calls.

5 Q. Okay. But as to the calls that would, for
 6 example, stick with disability.

7 A. Sure.

8 Q. There was at that time a specific call
 9 center for the disability --

10 A. Yes.

11 Q. -- product line? That if I had known the
 12 right number as a policyholder, that's the number I

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13 should call.
14 A. Yes.
15 Q. One of the functions of the CSR in your
16 area was if the call came to them to get routed, if
17 that was the issue --

18 A. Yes.
19 Q. -- to that particular call center.

20 A. (Affirmative head nod).
21 Q. Okay. How long had the Warwick facility
22 been in existence or when did it first come into
23 existence?

24 A. I believe it was around 1988.

25 Q. Okay. From 1986 until 1988, the first
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1 couple of years that you had responsibility for the
2 call center in Tulsa, did your responsibilities
3 remain the individual business piece in the Tulsa
4 territory?

5 A. Yes.

6 Q. Okay. And then Warwick came into
7 existence in approximately 1988 to do what?

8 A. There were many discussions during that
9 period of time as to the future of the call
10 centers, what their role was to be with an
11 individual insurance. There were moves where some
12 people wanted to consider establishing a call
13 center in each of our offices, but, basically, it
14 was agreed that the company needed to go with more
15 than one and the strategy at that time was to at
16 least start a second one in the Northeast.

17 Q. And Warwick performed similar functions
18 for the territory out of Warwick?

19 A. Yes.

20 Q. Okay. So then for a while, policyholders
21 in the Tulsa territory and policyholders in the
22 Warwick, the Northeast, had call centers but with
23 no call center specifically covering --

24 A. Yes.

25 Q. -- other areas of the country?
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1 A. Yes.

2 Q. Okay. That then changed at some point?

3 A. Yes.

4 Q. Do you recall, approximately, when that
5 changed? I mean, let me rephrase it.

6 I know that during this time period other
7 product lines are growing, --

8 A. Right.

9 Q. -- call centers. I am now focusing on the
10 ILI, the individual business piece.

11 A. The entire history is probably in that
12 folder that covered the advancement of
13 Teleservices.

14 Q. All right. We will come to that specific
15 document.

16 A. It was a slow, agonizing process to expand
17 it nationwide, and -- but it was through the early
18 Nineties.

19 Q. Okay. Were there at any point other call
20 centers handling the ILI individual business other
21 than Warwick and Tulsa up through this '95 time
22 period?

23 A. No.

24 Q. Okay. We are back up to 1986. I
25 understand your reporting relationships, I want to
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1 A. He has a very good mind. He's certainly
2 lived through the creation of the building and
3 understood the work and the work flow issues and
4 things like that. But by the same token, he had
5 his strengths and weaknesses like we all do.

6 Q. Ms. Gardner had her strengths and
7 weaknesses?

8 A. Yes.

9 Q. You have your strengths and weaknesses?

10 A. Yes.

11 Q. You also say you were not surprised. And
12 why were you not surprised?

13 A. Barbara, and this is in no way meant as a
14 criticism, because it is clearly what the company
15 has become and what it rewards, but she — she
16 understood the politics and knew how to use the
17 politics for advancement, as many people do.

18 Q. Now, focusing on that particular point in
19 time, when she becomes —

20 A. Yes.

21 Q. — when the announcement is made, I know
22 we are not quite sure when that was, when you say
23 she understood the politics and knew how to use it
24 for advancement, what are you referring to? And
25 now, again, I am putting you back in the time frame

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1 at that time. We will cover subsequent events down
2 the road.

3 A. It was probably to provide — I don't
4 think I can answer that with any specificity.
5 There's just a lot of things there. I mean —
6 well, —

7 Q. Give me an example of what you are talking
8 about, that would have happened by that point in
9 time?

10 A. Okay. One example would be that you
11 consistently say the right thing at the right times
12 to provide people with what they would prefer to
13 hear or —

14 Q. Can you give me an example of something
15 involving Ms. Gardner that would have happened
16 where you felt that —

17 A. No, I mean I don't know that there is
18 anything specific. It is just a difference in
19 management styles, that's all.

20 Q. What was the difference in management — I
21 assume when you say "difference in management
22 styles," meaning a difference in your management
23 style.

24 A. Yes.

25 Q. What was the difference in management
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1 styles that you saw between you and Ms. Gardner?
2 Describe what you mean by that statement for me.

3 A. My management style was to consistently
4 say what I thought when an issue was in either the
5 company's interest or the customer's interest. And
6 I had a very defined feeling as to right and wrong,
7 and I — I would not hesitate to voice an unpopular
8 opinion.

9 Q. And contrast that with Ms. Gardner.

10 A. It just wasn't her personality style to —
11 she didn't — well, those things weren't the big
12 issues with her. They were with me.

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1 A. Len was an especially frustrating person.

2 Q. Okay. Staying at this point in time now,

3 in the 1988-1989 time period, I think you said

4 Warwick was started up in the '88 time period.

5 A. I believe so, yes.

6 Q. What was your relationship with or were

7 your responsibilities with regard to the startup

8 and the early phases of the Warwick operation?

9 A. Other than initially providing them

10 support and then working with Kathy Schoos, who was

11 in charge of it in Warwick, on a number of common

12 issues, I mean I had no direct responsibility, but

13 the two of us spent the best part of our life

14 trying to advance Teleservices at that time.

15 Q. She was your counterpart --

16 A. Yes.

17 Q. -- in Warwick?

18 A. (Affirmative head nod).

19 Q. And to whom did she report during this

20 time period? This '88-'89 time period.

21 A. I believe it was John Abela, who was

22 Barbara's counterpart.

23 Q. Okay. During the '88 to '90 time period,

24 the period we are talking about, did you share --

25 I'm not quite sure what you were telling me, did

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1 you share calls with Warwick or were you simply

2 sharing knowledge and --

3 A. Knowledge and information and support,

4 yes.

5 Q. Were they also getting 800 numbers, calls,

6 or was that still going to Tulsa?

7 A. No. They started up and they were taking

8 the 800 number calls from their territory and their

9 part of the country.

10 Q. Okay. So their operation mirrored yours,

11 but just for a different part of the company?

12 A. Yes.

13 Q. Would there be occasions -- we talked

14 about there being occasions where your CSRs would

15 route the calls perhaps to a specific property, the

16 P&C folks or a particular product line.

17 A. Yes. The corporate 800 number did not

18 happen in that time frame.

19 Q. The corporate 800 number was later?

20 A. Yes.

21 (A certain document was marked Deposition

22 Exhibit 2 for identification by the reporter.)

23 Q. (BY MR. POOR) Mr. Rayl, I am handing you

24 what has been marked as Deposition Exhibit No. 2.

25 I ask you to take a look at that document and tell

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1 me whether you recognize it?

2 A. I recognize it as probably one of the

3 reviews I received, yes.

4 Q. Okay. The second page, bottom left-hand

5 corner, do you recognize that as being your

6 signature?

7 A. Yes, I do.

8 Q. Okay. And it will appear you signed this

9 document February 4th, 1991?

10 A. Yes.

11 Q. Okay. During the course of your

12 employment with MetLife, you would receive a

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- 13 performance review typically on an annual basis?
14 A. Typically, yes.
15 Q. Okay. Typically given to you by your
16 direct --
17 A. Yes.
18 Q. -- supervisor, correct?
19 A. (Affirmative head nod).
20 Q. And you, in turn, would do performance
21 reviews typically on an annual basis --
22 A. Yes.
23 Q. -- of people reporting to you, correct?
24 A. Yes.
25 Q. So we are starting with the 1990, but you

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- 1 had performance reviews prior to 1990?
2 A. Yes.
3 Q. Okay. This happens to be one, and in the
4 bottom right-hand corner of the second page, you
5 recognize that is Ms. Gardner's signature?
6 A. Yes.
7 Q. Now, I know the forms changed from time to
8 time over the course of the period.
9 A. (Affirmative head nod).
10 Q. But during the period of time you reported
11 to Ms. Gardner, was there a certain process she
12 followed in terms of going through annual review
13 with you?
14 A. I can't really say it was a process; it
15 was done differently in different years.
16 Q. Okay. Well, let's talk about this one, --
17 A. Sure.
18 Q. -- to the best you recall. The
19 handwriting that is on this document, other than
20 your signature, do you recognize that as Ms.
21 Gardner's handwriting?
22 A. Yes, it appears to be.
23 Q. Okay. Do you recall sitting down with her
24 and going over this review with her?
25 A. This specific one?

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- 1 Q. Yes.
2 A. No, I don't.
3 Q. Okay. Do you recall getting it -- let me
4 ask you the flip side.
5 Is it your recollection you simply got
6 this in the mail?
7 A. No, I would -- no, I would suspect that we
8 sat down, I just don't remember.
9 Q. You don't recall one way or the other?
10 A. No, no.
11 Q. Do you have any recollection as of the
12 year end 1990 what the size of the Teleservices
13 area was?
14 A. I can't say with any certainty. At that
15 point, I assume it to have been in the neighborhood
16 of 40 to 50, but that could be wrong.
17 Q. Looking at the first page, "Overview of
18 Responsibilities," the first line, she's written --
19 and it would appear that this section is the key
20 responsibilities for 1990. The first one is
21 "Expand Teleservices throughout 1990" and then
22 there's "(GLHO & SEHO)."
23 A. Uh-huh.
24 Q. Do you know what those acronyms stand for?
25 A. Great Lakes Head Office and Southeastern
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13 and G refer to "Development Needs" and "Development
14 Plan Actions."
15 A. Uh-huh.
16 Q. Drawing your attention to the section
17 entitled "Development Needs," the first point here
18 is "Separate business issues from
19 personal/emotional and subjective review. Jim can
20 tend to make things 'personal' concerns,"
21 "personal" being in quotes.
22 Do you recall any conversation with Ms.
23 Gardner, either at this specific review or related
24 to this topic during this time period --
25 A. Sure.

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1 Q. -- on this particular issue?
2 A. (Affirmative head nod).
3 Q. What do you recall?
4 A. I don't remember any specific
5 conversations, but you have got the evidence of my
6 personal concerns as to the way the company was
7 dealing with many issues associated with customer
8 service. I was trying to live up to a mission and
9 a vision that was given to me by Robert Crimmins
10 and, as you have got in there, you have got the
11 documentation which outlines my concerns to him at
12 the time because of my continuing frustration with
13 the middle levels of the organization failing to
14 deal with the real issues. But I did make some of
15 them personal.
16 Q. Okay. Now, we had talked earlier about
17 the differing management styles you and Ms. Gardner
18 had.
19 A. Yes.
20 Q. Did you view this as reflecting the
21 differing management styles that you and Ms.
22 Gardner had?
23 A. It's -- yes, I reviewed -- I mean
24 that's -- and it's -- it clearly was a valid
25 developmental issue. I mean I did over the years

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1 learn to deal more effectively with many of those
2 issues and not make them quite as personal and go
3 strictly on the basis of the business need or the
4 business issue. So, yes, it was a --
5 Q. Now, the second topic is "Trust your
6 teammates."
7 A. Uh-huh.
8 Q. "Management associates at all levels will
9 work with you. Share your agenda, ask for
10 support."
11 Do you have any recollection of what the
12 issues reflect in that developmental need were?
13 A. Not specifically, no.
14 Q. Okay. Now, under the "Developmental
15 Plan," Section G, it talks about a review in the
16 CLD area.
17 A. Yes.
18 Q. What is the "CLD" area?
19 A. I guess in '91 or thereabouts, in addition
20 to Teleservices, which I guess I had overlooked
21 before, I also assumed responsibility for what was
22 known as the cash loan dividend area. Because it
23 was such an integral part of many of the customer
24 concerns coming through Teleservicing, it was
25 thought that some improvements might be attained if
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- 1 I took responsibility for that area.
- 2 Q. And who talked to you about taking on
- 3 responsibility on for that area?
- 4 A. That was Barbara.
- 5 Q. Okay. What was the CLD area?
- 6 A. It was part of the policyholder services
- 7 division. It stands for "cash, loan and dividend.
- 8 Q. What did they do?
- 9 A. Oh, they processed all cash surrenders,
- 10 all loan transactions and all dividend
- 11 transactions.
- 12 Q. And when you say this was an integral part
- 13 of customer concerns, people would call in saying
- 14 "can I take a loan, can I?" -
- 15 A. Fifty percent, or thereabouts, of the
- 16 phone calls in general dealt with some aspect of a
- 17 cash loan dividend area. Now, this doesn't mean
- 18 that they were the specific transactions, but in
- 19 terms of quoting values, asking questions about
- 20 their dividends, asking tax questions related to
- 21 these transactions.
- 22 Q. And the numbers in the processing of those
- 23 issues was in the CLD area?
- 24 A. Yes.
- 25 Q. Okay.

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- 1 A. And there was - part of it was also to
- 2 move as much of those transactions to the telephone
- 3 to try and resolve them at that point, also.
- 4 Q. And so the goal, I take it, you and
- 5 Ms. Gardner had was by moving that function under
- 6 your supervision, there could be a closer
- 7 integration -
- 8 A. Yes.
- 9 Q. - of those functions? Did that
- 10 integration in fact happen?
- 11 A. To a large degree, it did. At the time we
- 12 took it, it was very small. There - as a result
- 13 of additional reorganizations, other offices were
- 14 closed. At the time I took it, the cash loan
- 15 dividend area had about 30 to 35 people. We took
- 16 work from other offices and it grew to about 120,
- 17 which I was managing in conjunction with the call
- 18 center. And it was eventually split off as a
- 19 separate division somewhere around '94 or '95.
- 20 Q. Did Warwick have the same type of
- 21 structure -
- 22 A. Yes.
- 23 Q. - related to CLD?
- 24 A. Yes.
- 25 Q. Do you recall expressing any disagreement

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- 1 over the review for your performance in 1990?
- 2 A. I have expressed disagreement with a
- 3 number of my performance appraisals. As far as any
- 4 on this one, no, I do not recall expressing any
- 5 particular disagreement.
- 6 Q. Okay.
- 7 MR. POOR: Take about a two-minute break,
- 8 washroom break.
- 9 THE WITNESS: Great.
- 10 (Brief recess.)
- 11 (Certain documents were marked Deposition
- 12 Exhibits 3 and 4 for Identification by the

13 Q. -- when you say that there is something
14 in here -- I am now asking questions --
15 A. Well, --
16 Q. -- about what Ms. Gardner did that was
17 harassment? --
18 A. Okay.
19 Q. -- mental and emotional abuse --
20 A. This specific memo to him doesn't relate
21 to some of those things. There should be other
22 documents that do.
23 Q. Okay. That's fine. I am just trying to
24 understand.
25 A. Okay.

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1 Q. Okay. Well, you also indicate in this
2 letter in the next few pages that you felt she also
3 treated Mr. Lyons inappropriately.
4 A. Yes.
5 Q. I assume Mr. Lyons reported directly to
6 her as well.
7 A. Yes.
8 Q. Do you have a recollection of where he was
9 in the organization at that time?
10 A. I believe policyholder services, but I'm
11 not sure.
12 Q. Okay.
13 A. Mr. Lyons, I believe, sent his own
14 documents to Frank.
15 Q. Do you have any recollection of actions or
16 incidences involving Mr. Lyons that fall into this
17 category?
18 A. No, I don't remember any specifics.
19 Q. Turning to page 3 in the middle, the
20 paragraph starts "Barbara is a 'master
21 manipulator'..."
22 A. Yes.
23 Q. That paragraph, then it talks about her
24 trying to buy people's loyalty, manipulating
25 people. And you give an example of a former

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1 employee, Dick Moser, "Moser,"--
2 A. Yes.
3 Q. -- something like that. Either with
4 regard to specifically with the Moser situation, if
5 that's the best example you can give me or with
6 another example you can give me, can you try to
7 help me understand what you are talking about in
8 terms of this description of her conduct?
9 A. Other than what I have said here, I
10 mean -- no, I could probably present any number of
11 people that could cite their own situations, but --
12 Q. Well, I am more interested, and I know,
13 Mr. Rayl, you know what you are --
14 A. Right.
15 Q. -- talking about here, but you need to
16 understand I don't; I wasn't there. So I need you
17 to help me, it would be helpful to me if you could
18 give me an example. And you can talk about the
19 Dick Moser situation, if you care to?
20 A. Yes, I don't even --
21 Q. Give me an example of what she was doing
22 that led you to describe her as, you know, buying
23 people's loyalty or being a master manipulator.
24 A. At this time Barbara's management style
25 was not such that if she wanted you to do something

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1 specifically, that she would just tell you this is
2 what she wanted you to do. She appeared at the
3 time to be dealing from her own agenda, and she
4 bestowed favor in the form of compensation or
5 whatever on people that were most prone to vocally
6 and actively support whatever it was that she
7 wanted to do.

8 Q. Well, give me an example of when you said
9 she had her own agenda. Give me an issue in which
10 that manifested itself.

11 A. I don't know of any really off the top of
12 my head, particularly at this time here. There
13 were -- well, I don't remember any.

14 Q. I take it these would have been issues
15 that you and she disagreed on.

16 A. It may have been a number of issues,
17 anywhere from -- relating to issues affecting the
18 customer service center, issues affecting -- or
19 customers, issues affecting the work environment,
20 any number of things.

21 Q. But, as you sit here today, you can't give
22 me a specific example of any one of those things?

23 A. Not -- you know, I tend -- I am a
24 reasonably sensitive and as obviously has been
25 stated, somewhat emotional person, to the extent

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1 that I operate from a sense of passion. I
2 supported the company, and I supported its
3 customers with passion, with caring for the right
4 and wrong.

5 I was not interested in political agendas;
6 I was generally focused, as I believe my letters to
7 Crimmins and those people support, on issues that I
8 felt were important to the company, the customer.

9 The company, as a whole, gets itself
10 involved in any number of actions, directions or
11 whatever, where certainly some of these issues are
12 not the primary concern.

13 So those might have been the kinds of
14 issues with which I disagreed.

15 In other words -- well, it's -- we could
16 spend all day talking about that.

17 Q. Well, I don't want to spend all day
18 talking about it, but I also need to have a better
19 understanding of what you are talking about.

20 For example, we had talked earlier about
21 staffing levels.

22 A. Yes.

23 Q. And staffing levels are referred to in
24 your performance review for 1991.

25 A. Yes.

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1 Q. And, you know, growing a business and yet
2 what kind of resources is this company going to
3 develop to support that expansion.

4 A. Yes.

5 Q. And it seems clear from the documents you
6 turned over to us that you strongly disagreed with
7 that decision by the company in terms of the level
8 of resources they were devoting to the
9 Teleservicing area. Is that a fair statement?

10 A. But it was really a bigger issue than
11 that. It really revolved around the company on the
12 one hand paying lip service to the concept of

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13 providing good customer service while they tie your
14 hands behind your back and then don't devote the
15 resources of the strategic issues, technology,
16 systems or whatever, to support that.

17 As a company, we still haven't decided
18 where, when and how customer service should be
19 delivered.

20 Q. It's not an easy set of issues, is it?

21 A. It seemed pretty easy during many of those
22 periods. It certainly surfaced in MetLife Express,
23 although the fact -- but that's another whole set
24 of issues. But it is pretty easy for any company
25 to make a certain level of commitment to its

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1 customers. MetLife pays a lot of lip service and
2 does not deliver it.

3 Q. Well, one of the issues, and I understand
4 in your view it is a broader issue, but let's focus
5 on -- we are now talking in 1991, the staffing
6 levels and the amount of resources the company was
7 prepared to devote to the growth of the
8 Teleservicing area.

9 There were many areas of MetLife in terms
10 of its operations outside of Teleservicing area,
11 correct?

12 A. Yes.

13 Q. Okay. There are thousands of employees
14 who work for MetLife, correct?

15 A. Yes.

16 Q. There are many functional areas of
17 MetLife, correct?

18 A. Yes.

19 Q. There are many areas within the company
20 that need to be supported and funded for the
21 overall success of the company, correct?

22 A. Yes.

23 Q. And Teleservicing certainly is one of
24 those, correct?

25 A. Yes.

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1 Q. And at some level of the corporation,
2 there has to be a business decision as to taking
3 all of those pieces together, the varying levels of
4 funding and support for those varied support
5 functions, correct?

6 A. Yes.

7 Q. Okay. Now, you were in the Teleservicing
8 function in Tulsa, --

9 A. Right.

10 Q. -- correct? And as you have described it,
11 that was your passion, correct?

12 A. Yes.

13 Q. And there were disagreements, differing
14 views on the amount of resources going to be
15 devoted to the Teleservicing, correct, over the
16 years?

17 A. Yes.

18 Q. Okay. And from time to time you disagreed
19 with those decisions, correct?

20 A. I disagree with those positions -- or
21 those decisions and my disagreement, one, while
22 there were other functional parts of the company,
23 it was individual life insurance that brought
24 MetLife to its knees because of its sales
25 practices. It's individual insurance that could

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1 not --
2 Q. Let me back up to the answer to my
3 question --
4 A. Okay.
5 Q. -- here for a second. Let's keep on track
6 here. Somewhere over you there is some very basic
7 resource decisions being made, where the company
8 resources were going, correct?
9 A. Yes.
10 Q. Okay. And you certainly had a belief that
11 that decision was not focusing enough resources on
12 the development of Teleservices, correct?
13 A. When we were blocking thousands of phone
14 calls that we couldn't even answer --
15 Q. I am simply asking whether you -- I am
16 not trying to get into who was right or who was
17 wrong, Mr. Rayl. You disagreed --
18 A. Yes, --
19 Q. -- to the Teleservices?
20 A. -- I did.
21 Q. And you viewed the Teleservicing area as
22 an extremely important function for MetLife,
23 correct?
24 A. Yes.
25 Q. Okay. And I take it from your answers

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1 that, you know, by virtue of the amount of
2 resources being developed in Teleservicing in this
3 area was also your perception that others somewhere
4 above you in the chain didn't view Teleservicing
5 with the same level of importance to the company's
6 mission that you did; is that fair?
7 A. Correct.
8 Q. Okay. And you expressed that disagreement
9 on a --
10 A. Repeatedly.
11 Q. Repeatedly. To Ms. Gardner, to others
12 within the organization, --
13 A. Yes.
14 Q. -- correct? Did it, looking at the
15 documents such as the one you wrote to Mr. --
16 what's the one Mr. Lynch, Mr. Lynch, that we were
17 talking about, and there are obviously others, --
18 A. Right.
19 Q. -- to Mr. Crimmins, Mr. Donnelly, --
20 A. Right.
21 Q. -- there were a variety of people within
22 the organization, many of whom are very critical of
23 your supervisor, Ms. Gardner. Let's stick with
24 those. Did it occur to you that writing those
25 memoranda, regardless of whether what you are

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1 saying in there was right or wrong, and going
2 around Ms. Gardner to others above her in the
3 hierarchy, was not the way most managers handled
4 those issues within the organization? I mean --
5 A. Absolutely. And that's why most companies
6 get in the condition they are in. If I had been
7 interested in my advancement, that was suicide.
8 Q. Okay. Did anyone ever sit down with you
9 and say, "You know, Jim, you really ought to sit
10 down and work these issues through with Barbara;
11 writing these memos to Vince, or Frank, or Bob or
12 whatever isn't going to be effective in

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1 document and educate Dr. Friedewald as to some of
2 the things that could be used to satisfy those
3 concerns.

4 Q. Okay.

5 A. The next one, --

6 Q. Which is No. 14.

7 A. -- which is No. 14, is another document
8 because of -- I did not feel that -- well, I felt
9 that the overall systems issues associated with all
10 of the customer service and across the organization
11 were being seriously underestimated as to their
12 significance and their cost by the so-called
13 information technology team that was the one
14 responsible for doing this, and I was trying to
15 educate Dr. Friedewald on what I saw some of those
16 issues were and what I saw, based on the
17 observations of the site visits we made and -- to
18 try and give him some idea as to what the
19 technology -- level of technology really was that
20 was out there.

21 Q. When was this document prepared?

22 A. This is April 19th, 1995.

23 Q. It was sort of midway through the process?

24 A. Yes.

25 Q. Who was on the IT team?

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1 A. It was led by -- I am not sure who it was
2 led by, there was a whole separate team. They were
3 not part of the customer service team. It was
4 another whole MetLife Express team that was
5 functioning independently from us.

6 Q. Okay. Now, No. 15, a series of documents
7 addressed to Mr. Friedewald by you, May 16th of
8 '95, with a bunch of attachments.

9 A. Yes. One of the critical issues that
10 consensus could not be agreed upon was again how
11 was individual business going to deliver service to
12 its customers and what role should the sales
13 offices play in that activity. This was --

14 Q. What do you mean by that?

15 A. There has been in the company a culture
16 that makes -- that managing officers believe that
17 all customer service should be provided by the life
18 insurance representative or by the local sales
19 office. The reality is the sales offices are
20 ill-equipped to do that. There is such turnover
21 and now the reduction in the size of the sales
22 force, it isn't a practical option.

23 But the company has never taken a
24 position that Teleservicing or anything else should
25 be the primary source for customer service with

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1 developing a system than to support any other
2 alternatives.

3 Part of what I did in MetLife Express was
4 to do an extensive analysis of sales office
5 transactions, also trying to illustrate that the
6 service delivered by our sales offices merely as a
7 matter of process was inferior to what could be
8 delivered through Teleservicing, and that it might
9 make more sense to define sales office role as
10 being that of sales support.

11 And then there is just a ton of documents
12 in here related to that.

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1 This was a document that I produced as
2 part of an analysis; some of the information came
3 from some information gathered by Jim Major or a
4 survey that he did, but most of this was stuff that
5 I put together to try and estimate how many phone
6 calls were coming from the sales offices -- or the
7 sales offices were receiving.

8 Q. Okay. Exhibit 20 appears to be documents
9 relating to your visits to various sites, Aurora,
10 et cetera.

11 A. Yes. This was -- I ended up doing the
12 most extensive documentation on site visits, and
13 this was just a record of all of our site visits
14 during Phase 2.

15 Q. Okay. Exhibit 21 appears to be a document
16 you prepared for Mr. Jeffrey in January of '96.

17 A. Yes. This was a rather elaborate and
18 extensive document. With the four call centers,
19 there would be need -- there was a need for a
20 telecommunications traffic management center. And
21 this is a document I prepared with some information
22 and help from my telecommunications people on what
23 needed to be considered and what they needed to do
24 to set up that traffic management center.

25 Q. Okay. Exhibit 22?

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1 A. This appears to be a wide assortment of
2 the letters and documents I wrote trying to advance
3 the customer service and call center issues.

4 Q. All as part of MetLife Express?

5 A. No, this had nothing to do with MetLife
6 Express. June '95, that -- I sent Mr. Crimmins the
7 sales office information, here's March of 1996,
8 yes, these were for the most part independent of
9 MetLife Express. Some of these go back to 1988.

10 Q. Okay. Then Exhibits 23, 24 and 25, they
11 appear to be some of the summary presentation
12 documents on MetLife Express as it relates to the
13 call center organization.

14 A. Yes. These two were done by Booz-Allen.
15 This is based on what I wrote and what I prepared
16 to the company's corporate management office --

17 Q. Okay.

18 A. -- at the conclusion of Phase 2.

19 Q. All right. Now, let's talk about some of
20 the basic conclusions as it relates to the call
21 center in terms of the reengineering and
22 restructuring.

23 One of the fundamental decisions of the
24 customer service team was consolidate the number of
25 calls, correct?

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1 A. Yes.

2 Q. Going from 22-some-odd calls centers down
3 to four.

4 A. Yes.

5 Q. Okay. And consolidating the
6 responsibilities that were going to be handled by
7 the call center organization in those four center,
8 correct?

9 A. Yes.

10 Q. Now, what is a virtual call center? What
11 does that mean to you?

12 A. A virtual call center is essentially that

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1 Q. This is that meeting with the attorneys in
2 January of '96?
3 A. Yes.
4 Q. Okay. We will hold on that. Do you have
5 any basis, do you have any personal knowledge as to
6 whatever was communicated in that meeting was
7 communicated to anyone else in MetLife?
8 A. The meeting was precipitated by a memo I
9 wrote to CMO members. No, I do not have any
10 specific knowledge that --
11 Q. It went beyond --
12 A. No.
13 Q. -- the legal organization?
14 A. No.
15 Q. Okay. Now, one of your allegations is you
16 had a history, and I will quote here, "history of
17 reporting violations."
18 A. Yes.
19 Q. Including violations, churning and
20 accelerating premiums, vanishing premiums, which we
21 have sort of generically referred to as "public
22 policy."
23 A. Yes.
24 Q. I will now be more specific. It's those
25 issues that we are now talking about in terms of
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1 public policy, the accelerated payments, the --
2 A. Yes.
3 Q. -- vanishing premiums, the churning
4 allegations, correct?
5 A. Yes.
6 Q. And those are problems that obviously
7 there was general publicity with regard to issues
8 raised against MetLife and other insurance
9 companies by various lawsuits, insurance
10 commissioners, et cetera. I assume it was brought
11 to your attention in that respect like every other
12 MetLife employee, but it was also, I take it,
13 brought to your attention to by customers who would
14 call in to the call center organization, raising
15 issues?
16 A. My efforts started long before MetLife was
17 the subject of investigation and litigation on
18 those issues.
19 Q. All right. Now, I am going to mark a
20 number of documents here that you produced to us
21 not necessarily to go over them in any great
22 specificity, --
23 A. Okay.
24 Q. -- but for you to help me identify and
25 understand which ones you think fall in this
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1 category.
2 A. Sure.
3 (Certain documents were marked Deposition
4 Exhibits 37 through 43, inclusive, for
5 identification by the reporter.)
6 THE WITNESS: Okay.
7 Q. (BY MR. POOR) What I am interested in,
8 tell me which groups reflect your history of
9 reporting violations in obtaining the status of
10 whistle blower, as alleged in Paragraph 43, so we
11 can talk about those without talking about the ones
12 that --

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- 13 A. Okay.
14 Q. -- fall outside.
15 A. No. 40 is outside.
16 Q. Okay. Let me set that up here.
17 A. This is background, this is really
18 background information, not specifically the
19 documents.
20 Q. Okay. That's 42. Okay.
21 A. There is a whole collection missing on
22 complaints by --
23 Q. Okay.
24 A. All right.
25 Q. I thought I had pulled all the ones you

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- 1 had produced that had some label of --
2 A. Well, if files were together, I have
3 actually got those files if you want to look at
4 them.
5 MR. RAYL: Could this file over here have
6 any, Mr. Poor?
7 (Handed to counsel.)
8 MR. POOR: Okay.
9 (A certain document was marked Deposition
10 Exhibit 44 for identification by the reporter.)
11 Q. (BY MR. POOR) I thought it was the same
12 file, to be honest with you, but --
13 A. Well, wait a minute, they might be still
14 two separate files. Yes, they are different.
15 Q. Okay.
16 A. 41 is not, but there is a whole series of
17 files or two files dealing with complaints that are
18 not here.
19 Q. Okay.
20 A. Subject to policyholder complaints.
21 Q. And this one which is just external,
22 labeled as simply "external newspaper articles," --
23 A. Right.
24 Q. -- and things?
25 A. Right.

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- 1 Q. I believe there is one more set of
2 documents around. It should have been two files,
3 separate files, one would have been stuff I
4 specifically wrote and another one is all dealt
5 with policyholder complaints.
6 A. I can give you the numbers if that would
7 help.
8 Q. If you can give me the numbers, maybe I
9 can --
10 A. Yes. Oh, I don't believe it.
11 MR. POOR: Why don't we go off the record
12 now.
13 THE WITNESS: 1377 -- no, wait a minute.
14 1414 to 1491 was the primary file related to
15 policyholder complaints.
16 (Discussion off the record.)
17 Q. (BY MR. POOR) Okay. So the groups of
18 documents that reflect the allegations in Paragraph
19 33 about your advocacy of public policy issues are
20 Deposition Exhibit 44, which are Bates stamped
21 01193, Deposition Exhibit 43, Bates stamped 01377
22 to 01413, Deposition Exhibit 37, Bates stamped
23 01112 to 01153.
24 A. Some of these are related documents, but
25 they are part of that.

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- 1 Q. Right. Exhibit 39, 01154 through 01192 --
2 A. 38.
3 Q. -- which is Exhibit 38, and what will be
4 marked when we make a copy as Deposition Exhibit
5 45, Bates stamped PL-01414 through -01491.
6 A. Yes.
7 Q. Okay. Some of these are documents
8 authored by you; some of them are complaints bought
9 to your attention, for example, some are letters
10 from lawyers, some are --
11 A. Right.
12 Q. -- complaints from some individuals?
13 A. Supporting the issue, yes.
14 Q. Right. For example, what is Exhibit 38.
15 A. That was -- it was one of the few
16 documents that I submitted that really was not
17 written to a superior; it was a document I authored
18 illustrating how we were trying to have the CSRs,
19 at that time they were CSRs, deal with these issues
20 and the publicity related to the churning
21 allegations and some of those activities.
22 Q. Okay. And this went to CSRs, trainers and
23 resource assistants?
24 A. Yes.
25 Q. And you authored this document?

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- 1 A. Yes, I did.
2 Q. Okay. Now, on any of the documents
3 covered in these various deposition exhibits, did
4 you receive criticism, feedback that was critical?
5 A. Not -- I'm trying to think -- other than,
6 for example, there's one situation in there where I
7 tried to explain the AP problem. It went to
8 someone in marketing, who turned around and tried
9 to say it didn't exist, and I went back and proved
10 to one of his own branch managers was having a
11 problem. I didn't receive direct criticism for
12 that, with the exception of being criticized, if
13 you will, by the law department for my persistence
14 in trying to draw attention to these issues.
15 Q. And that's in this meeting?
16 A. That's in the meeting, yes.
17 Q. Okay. We will come back, put aside that
18 meeting.
19 A. Okay.
20 Q. Is that meeting the only time that you
21 have viewed yourself as having been criticized over
22 raising these issues?
23 A. I guess I don't know where to draw the
24 fine line between criticism and where people
25 clearly indicate they don't want to hear it any

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- 1 more, but --
2 Q. There's a very clear line in my mind, let
3 me explain to you what it is. I understand that
4 sometimes you view this as falling on deaf ears.
5 A. Yes.
6 Q. You understand.
7 A. (Affirmative head nod).
8 Q. And sometimes you will have people say,
9 "You know, Jim, just go talk to somebody else, I
10 don't want to hear it any more."
11 A. (Affirmative head nod).
12 Q. Okay. I'm more interested in anything

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13 anyone did affirmatively say to you, "It's a bad
14 thing that you are raising this, don't do this any
15 more, you are in trouble for" -- when I say
16 criticism, that's what I am talking about in that
17 line?

18 A. No, I don't recall any specific criticism.

19 Q. Okay. Now, which one of these documents
20 generated a meeting with lawyers?

21 A. That one.

22 Q. Now, you have handed me documents that
23 Bates stamped PL-01199 through -01202.

24 A. Yes.

25 MR. POOR: Why don't we mark that
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1 separately just for the purposes --

2 THE WITNESS: Sure.

3 MR. RAYL: (Affirmative head nod).

4 MR. POOR: -- of keeping it straight.

5 Would you mark this as 46.

6 (A certain document was marked Deposition
7 Exhibit 46 for identification by the reporter.)

8 Q. (BY MR. POOR) This is a memo you wrote to
9 Mr. Lynch in November of '95, expressing your
10 concern over the field release on AP arrangements?

11 A. Yes.

12 Q. Okay. What happened after you sent that
13 letter to Mr. Lynch?

14 A. I did get a note from him, I believe
15 that's the one that he responded to, said it was of
16 interest, asked for some statistics, but it also
17 was copied to Mr. Tweddie, who was a CMO member,
18 but it was sometime -- I'm trying to keep my years
19 straight -- no, I guess it was relatively quickly,
20 December-January, somewhere in that time frame I
21 received a call from the law department and they
22 wanted to know when I would be in New York and that
23 they would like to discuss AP with me.

24 Q. Okay. Who did you get the call from?

25 A. It was either Mr. Finnegan or -- I believe
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1 it was Kevin Finnegan.

2 Q. Who is an attorney in the law department?

3 A. Yes.

4 Q. Okay. And then you did have a meeting
5 with the lawyers in the law department?

6 A. It met with Kevin Finnegan and Robert
7 Nostramo.

8 Q. Okay. Between sending the letter and your
9 meeting, did you have any other communication with
10 Mr. Lynch or anyone else in the organization on
11 this issue other than perhaps asking for
12 statistics?

13 A. Most of what I wrote on this issue started
14 in 1992. No, I don't --

15 Q. I meant not on this issue, necessarily,
16 but specifically in response to this memo?

17 A. No.

18 Q. The next thing substantively really that
19 happened was the meeting with the attorneys?

20 A. Yes, it was.

21 Q. Okay.

22 MR. POOR: I am going to ask him about the
23 meeting with the attorneys for the purposes of the
24 deposition, Brian. Obviously, you know it's our
25 position that this is a privileged communication,
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25 Q. Okay. Anything else, Mr. Rayl, that
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1 happened or that people said to you or wrote to you
2 or communicated to you that, other than what we
3 have covered, that leads you to the belief that
4 your involvement in these public policy issues was
5 a factor in these personnel decisions we have been
6 talking about?

7 A. I think the fact that I have been so
8 persistent on those issues with so many people over
9 so much time, that -- that there is a strong
10 possibility that it's in there. I mean I think
11 that -- there's -- in other words, very few people
12 at the senior level of the company, and
13 particularly, when we have -- we had investigations
14 and everything going on, could dare tell me, "oh,
15 don't ever tell us there's a problem," nobody could
16 say that to me.

17 Q. And nobody did?

18 A. Nobody did. So I mean nobody was going to
19 tell me to stop or whatever, but clearly they
20 didn't act on it, either. So --

21 Q. All right. Have we now covered all of the
22 facts that leads you to believe that your public
23 policy actions affected these employment
24 decisions? I don't mean to infer there's more; I
25 just want to make sure we have covered them.

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1 A. Basically, I believe they could have been
2 a consideration in the actions against me, yes.

3 Q. Okay. Now, your second allegation is that
4 MetLife breached its contract with you in I guess
5 all four of these jobs.

6 A. Yes.

7 Q. Okay.

8 (Certain documents were marked Deposition
9 Exhibits 47 through 50, inclusive, for
10 identification by the reporter.)

11 Q. (BY MR. POOR) Mr. Rayl, I have handed you
12 documents marked Deposition Exhibits 47 through 50.

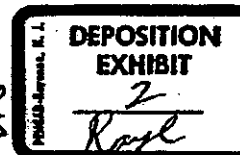
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Ex 2

PERSONAL INSURANCE DEVELOPMENT REVIEW FOR 1990
FOR OFFICERS, MANAGERS AND PROFESSIONALS

Name: Jim RaylDept/Region/Branch: PI/TulsaPosition: Mgr Telecommunications

Time in Position: _____

A. Overview of ResponsibilitiesEXPAND TELESERVICES THROUGHOUT 1990 (GLHD & SEHD)CONTINUE STRONG CUST SATIS INDICESREVIEW EXPENDITURE LEVELS FOR TELESERVICES AND
REDUCE STAFF/LINE RATIOSINTERFACE WITH MULTIPLE SUPPORT ORGANIZATIONS TO
ACHIEVE OR GOALS**B. Accomplishments Against Goals/Expectations**EXPANSION COMPLETED. NOTIFICATIONS TO CUSTOMERS
(INTERNAL) WERE TIMELY & DETAILED. CUST SERVICE
LEVELS WERE SUSTAINED - 800 ACCESS REMAINED
AT ACCEPTABLE LEVELS.FOCUS GROUPS, QUESTIONNAIRES, SERVICE ADVISORY COUNCIL -
ALL INDICATE STRONG LEVELS OF SATISFACTION.MET BUDGET GUIDELINES. THIS REMAINS AN AREA WHERE
ADDITIONAL MEASURING SHOULD BE DONE.**C. Overall Assessment of Performance and Contribution Made During Past Year**EXPANSION OCCURRED WITH A MINIMUM NUMBER OF
COMPLAINTS AND ACTUALLY PRODUCED HARD DATA CONFIRMED
STRONG CUST SATIS LEVELS. ENORMOUS TRAINING CHALLENGES
WERE MET WHILE THE CONDITION OF THE WORK WAS
MONITORED AND CONTROLLED FOR MINIMAL TIME SERVICE
DELAYS. JIM'S INPUT AS A MEMBER OF THE TELESERVICES
PLANNING BOARD HAS BEEN INSTRUMENTAL IN SETTING SYSTEMS
PRIORITIES & ENHANCEMENTS. HE'S ALSO**D. Business Goals for This Year**DELIVERED SEVERAL SPECIAL PROGRAMS (CALLPATH FOR EXAMPLE)
MEET EXPENSE OBJECTIVES FOR THE DIVISIONCONTINUE TELESERVICES EXPANSION AND FULFILL
CUST SATISFACTION EXPECTATIONSCONTRIBUTE TO TEAM OBJECTIVES/PROGRAMS FOR HD OFCM
1069677

E. Principal Strengths

- SETS VERY HIGH STANDARDS FOR HIMSELF AND THOSE WHO WORK FOR HIM
- HANDS-ON APPROACH TO THE BUSINESS FUNCTIONS HE'S RESPONSIBLE FOR. EXTREMELY KNOWLEDGABLE
- WELL ORGANIZED & EFFECTIVE PLANNER. SUCCEEDS IN BRINGING PLANS TO ACTION.

F. Development Needs

- > SEPARATE BUSINESS ISSUES FROM PERSONAL/EMOTIONAL & SUBJECTIVE REVIEW. JIM CAN TEND TO MAKE THINGS "PERSONAL" CONCERNS.
- > TRUST YOUR TEAMMATES. MGMT ASSOCIATES AT ALL LEVELS WILL WORK WITH YOU. SHARE YOUR AGENDA, ASK FOR SUPPORT.
- > GIVE YOURSELF A BREAK. RELAX; GET AWAY FROM IT. YOU'LL REFRESH AND RECHARGE YOUR ENTHUSIASM.

G. Development Plan/Actions (e.g., training, special assignments)

1991 WILL REQUIRE EVEN GREATER FOCUS ON THE "PROCESSES" NECESSARY TO IMPROVE THE EFFICIENCY & COST SATISFACTION WITH WORK WE DO.

A REVIEW - DETAILED/THOROUGH - IS NEEDED IN C-L-D., IDENTIFYING AREAS WHICH CAN BE ELIMINATED, AUTOMATED OR IMPROVED FOR EFFECTIVENESS.

CUSTOMER STRATEGIES WILL BE NEEDED FOR DEALING EFFECTIVELY WITH A NATIONWIDE BASE (PRIMARYLY INTERNAL) THROUGHOUT THE TRANSITION.

H. Employee Comments

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James D. Lay 2-4-91
Employee Signature/Date

J. J. Anderson 1-25-91
Reviewing Manager Signature/Date

Text Level Manager Signature/Date

Ex 22

Robert J. Crimmins
Executive Vice-President
Corporate Management Office

MAP4011070329

Re Service Work Performed by Sales Office Clerical Force

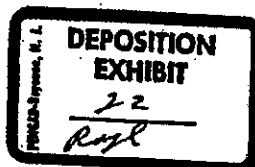
Bob, among the recommendations that will not be made this week, at least by the Customer Service Team, is the implementation of a formal program to begin transferring the service work performed by the sales office clerical staff to the Service Centers. By far, the largest percentage of work performed by the sales offices comes in by telephone. Based on the findings of DALBAR, the level of service and treatment that a policyholder might find when calling a sales offices is a "crapshoot" (*their words, not mine, as this is what they said in the presentation they gave to MetLife Express*).

The recommendation for a formal service "hand-off" between the sales force and the Service Center was among the first hypotheses developed by the Customer Service Team. As things progressed, we modified our position to encompass only those service transactions coming into the branch offices by telephone. This would have been fine with me. This proposal also received some support from the Retail Team but they have been very divided on this issue. Therefore, as a team, we opted not to pursue it. But, it may still wind up among their final recommendations.

Whatever happens, I just want you to know that I researched this issue rather extensively and circulated the enclosed report. I believe Frank Lynch sent this to Dick Fleming and perhaps John Tweedie. The fact remains that we could substantially improve customer service and reduce costs if we would move as much of the service work out of the sales offices as possible. As a Company, we spend a lot of time *chasing ourselves* between the sales office and the Service Center. If we were dealing with the customer directly, a lot of this and a lot of the paper would "go away." However, it does hold the potential for another two to three million phone calls per year for the Service Centers.

Bob, I don't expect you to read all of this, I just wanted you to know of its existence. I also know that you are not in a position to take any real action. It may, however, prompt you to ask a question or raise an issue in the upcoming presentations and deliberations. And, for what it's worth, if you are interested in a candid opinion about any of the recommendations put forward by the Customer Service Team, I'd be more than willing to oblige.

In general, my only words would be that many things make sense at the high, *conceptual* level. But, at the practical level, they can probably only be implemented to some limited degree. Consequently, I suspect there are some differences between what is recommended at this time and what can really be implemented effectively. So, all the recommendations will require some careful consideration and analysis in Phase III. At the same time, if there isn't some really powerful force driving whatever recommendations are approved, I can see a lot of obstacles to actually getting them implemented.



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At any rate, Bob, this has still been a wonderful experience and I very much appreciate the opportunity. It was good for my mind, my spirit and my soul. I can now face going back to Tulsa with a new level of motivation and enthusiasm. And, Bill has asked that I stay involved *(from Tulsa)* so I will be happy to do that assuming it can be made to work. In the meantime, I will looking forward to seeing you, perhaps on the boat ride. Thanks again for everything.

Warmest personal regards

J. L. Rayl
Customer Service Team
MetLife Express

June 19, 1995

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Jim Bell
Director
Information Technology
Canadian Head Office

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Re Teleservicing

After taking a look at my files, I find I don't have any single document or small collection of documents that would specifically address the issues associated with starting a teleservicing operation. Consequently, I went through and just picked out anything that I thought might be remotely of interest.

In the early years we had a lot of dialogue on the *cost justification* issue. That always frustrated me to no end because I always felt it was a *business decision* that was driven by the customers and the competition. But, as we discussed, MetLife has had a very difficult time in making a firm commitment to the delivery of world class customer service and, in spite of MetLife Express, still hasn't reached universal agreement on how the service should be delivered.

However, all this aside, I would hope that you could convince the skeptics that, at the very least, an 800 number is a service alternative that should be available for all the orphans and policyholders who do not have quick and easy access to a sales office or sales representative. And, there are many other benefits such as:

- Ensuring customers receive a consistent level of service from well-trained and knowledgeable Customer Service Representatives
- More opportunities to develop sales opportunities
- Conservation of assets and policies

Jim, I have some idea of what you're up against and I wish you luck. We would welcome your visit and the opportunity to show your folks what we're doing. We're still only scratching the surface of the ultimate potential for teleservicing but a lot of thinking will have to change. I hope some of this material is helpful and if there's anything else I can do or you have any questions, please let me know.

J. L. Rayl, ACS
Director
Customer Services & Communications
MetLife Customer Service Center - Tulsa

March 1, 1996

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John H. Tweedie
Executive Vice-President
Individual Life Insurance
AREA 5-E

Re Quality Assurance "Outcalling" Program - Johnstown

John, it is my understanding that plans are going forward to expand the Johnstown Quality Assurance program. Based on my experience and knowledge of call center operations and the perspective I developed while serving on MetLife Express, I would like you to consider a few reasons why I feel expanding this operation in Johnstown would be the wrong long-term approach for the Company. My reasoning is as follows:

Telecommunications Technology

In order to handle any type of outcalling activity *on a productive basis*, a high level of telecommunications technology should be utilized. Outbound calls should be handled through sophisticated predictive dialing equipment with answer detection. This does all the dialing and accurately screens out busy signals and answering machines. Without such technology, people will generally spend more time dialing, getting busies, no answers, or answering machines than they will actually spend talking on the phone. With appropriate equipment and some degree of computer/telephone integration, the individuals handling these calls would spend the majority of their time talking to customers.

While it is my understanding that some type of *automatic dialing* equipment may be used in Johnstown, I suspect it is a far cry from the level of sophistication that was recommended to be included in the call center recommendations made by MetLife Express.

Customer Service Issues

While I understand the primary intent of these calls is associated with the verification of information associated with recently issued policies, it is bound to occur that some of these customers will have existing MetLife policies. Consequently it is likely that service issues might be raised for these existing policies or the customer may have service questions on the new policy. I don't know how these will be handled, but from a customer perspective, ideally these would be fully addressed at the time of the call. I don't know whether Johnstown intends to attempt this or not, but I can assure you that the employees there will not have the same level of training and knowledge found in the two ILI call centers. By the same token, if it is Johnstown's intent not to handle these issues but refer the customer to the 800 number or their representative, the Company would not be creating the best perception of our customer service. We also would not be maximizing the value and impact of that first phone contact with the customer.

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This first call should be used to enhance the image of the Company and be the beginning of the customer service relationship. In addition to obtaining whatever information is desired for the *quality assurance* aspect of the program, it would be a great time to reinforce the MetLife's commitment to customer service and assure the customer that we are prepared to fulfill our obligations with respect to meeting their customer service needs. Ideally, this should be done by someone fully capable and prepared to deal with customer service issues.

Ultimate Cost Effectiveness

A major problem in achieving maximum employee utilization and efficiency in the ILI call centers is the extreme volume fluctuations. It is virtually impossible to maintain exactly the right number of CSRs available at all times to handle calls. Outcalling, particularly with effective use of technology and "*call blending*," is one of the most effective ways to *smooth out* those fluctuations. All CSRs can be utilized for inbound calls when volumes are heavy but, as things lighten up, some CSRs can be diverted to the outbound calls and inbound and outbound calls can be *mixed* to ensure maximum CSR utilization.

John, the ultimate call center vision that we discussed at MetLife Express clearly encompassed outcalling programs. If you remember my presentation, I mentioned the idea of *proactive customer contact* to ensure that we maintained and built upon our customer relationships. This activity would definitely fall into that scope, even though these calls are primarily for a specific purpose associated with the recent policy issue. But, as a Company, I believe we would be a lot better off to have them handled by our customer service *professionals*.

If you have any questions or there's any additional information I can provide, please feel free to let me know.

J. L. Rayl, ACS
Director
Customer Services & Communications
MetLife Customer Service Center - Tulsa

July 20, 1995

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Vincent J. Donnelly
Vice-President
P.I. Planning
AREA 5-E

MP4011070334

Re Customer Services Task Force

Vince, enclosed is a copy of the "*Strategic Plan*" that we developed back in September of 1993. As I indicated, it is essentially the direction Steve White discussed in a recent conference call. The primary difference is that 800+MET-LIFE is now being used as the "*generic*" or Corporate number. The new number for Personal Insurance will be 800+MET-5000.

I have also enclosed some other material that may or may not be of interest. This includes the latest report I have from the White Task Force sub-committee on the *generic* 800 number. I will try and summarize some of what has transpired in recent months.

- The Goodman Customer Services Task Force became the White Task Force. It also apparently developed a broader mission. This Task Force has been operating independently of such things as "*Project 2000*." The Customer Services Task Force already had a sub-committee addressing the issue of a Corporate or "*Generic*" 800 number. This started prior to Steve White's involvement.

- Kathy was a member of this sub-committee (*as a result of your efforts last year*). This sub-committee was moving forward as a *Corporate Information Systems* project (*not P.I.*). A separate system was being proposed and designed for the "Corporate" CSR. To my knowledge, Suzanne Flynn, a Project Manager in Corporate Info Systems has been the primary leader in this project. (*She works in Parsippany.*) PI is still involved through Luci Chez's organization but I don't think PI has any real control over the direction of the sub-committee but we are the most influential.

- It became apparent that this sub-committee was overlapping with goals and activities of "*Project 2000*." This issue was raised and Suzanne Flynn began attending the *Project 2000* meetings and I assume is now a member of this group also.

- Steve White has recently energized his Task Force. He has given presentations on the changes needed in Customer Service. He has broken his focus into three broad areas. Simply defined, it is the concept of achieving:

- (1) *Customer Loyalty* through
- (2) Improved *Business Processes* and
- (3) Higher levels of *Employee Commitment*

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